

EXHIBIT J

Form 1120

Department of the Treasury
Internal Revenue Service

U.S. Corporation Income Tax Return

OMB No. 1545-0123

For calendar year 1994 or tax year beginning _____, ending _____.

► Instructions are separate. See page 1 for Paperwork Reduction Act Notice.

1994

- A Check if a:
 1 Consolidated return (attach Form 851)
 2 Personal holding co. (attach Sch. PH)
 3 Personal service corp. (as defined in Temporary Regs. sec. 1.441-47 - see instructions)

Use IRS label. Otherwise, please print or type.

Name Number and street
US MOBILCOMM, INC.

City or town, state, and ZIP code

B Employer identification number
23-2764588

805 BRYN MAWR AVE

NEWTOWN SQUARE PA 19073

C Date incorporated
11/29/93

D Total assets (see Specific Instructions)

\$ 449,918

E Check applicable boxes:

(1)

Initial return (2)

Final return (3)

Change of address

Income

| | | | |
|--|-----------------------------|---------|---------|
| 1a Gross receipts/sales | b Less returns & allowances | c Bal ▶ | 1c |
| 2 Cost of goods sold (Schedule A, line 8) | | | 2 |
| 3 Gross profit. Subtract line 2 from line 1c | | | 3 |
| 4 Dividends (Schedule C, line 19) | | | 4 |
| 5 Interest | | | 5 2,450 |
| 6 Gross rents | | | 6 |
| 7 Gross royalties | | | 7 |
| 8 Capital gain net income (attach Schedule D (Form 1120)) | | | 8 |
| 9 Net gain or (loss) from Form 4797, Part II, line 20 (attach Form 4797) | | | 9 |
| 10 Other income (see Instructions-attach schedule) | | | 10 |
| 11 Total income. Add lines 3 through 10 | | ▶ 11 | 2,450 |

Deductions

(See instructions for limitations on deductions.)

| | |
|---|-------------------|
| 12 Compensation of officers (Schedule E, line 4) | 12 |
| 13 Salaries and wages (less employment credits) | 13 |
| 14 Repairs and maintenance | 14 |
| 15 Bad debts | 15 |
| 16 Rents | 16 |
| 17 Taxes and licenses | 17 103 |
| 18 Interest | 18 |
| 19 Charitable contributions (see Instructions for 10% limitation) | 19 |
| 20 Depreciation (attach Form 4562) | 20 8,340 |
| 21 Less depreciation claimed on Schedule A and elsewhere on return | 21a 8,340 |
| 22 Depletion | 22 |
| 23 Advertising | 23 |
| 24 Pension, profit-sharing, etc., plans | 24 |
| 25 Employee benefit programs | 25 |
| 26 Other deductions (attach schedule) | 26 See Sch 29,499 |
| 27 Total deductions. Add lines 12 through 26 | 27 37,942 |
| 28 Taxable Income before net operating loss deduction & special deductions. Subtract line 27 from line 11 | 28 -35,492 |
| 29 Less: a Net operating loss deduction (see Instructions) | 29a |
| b Special deductions (Schedule C, line 20) | 29b 29c |

Tax and Payments

| | |
|--|---------------|
| 30 Taxable income. Subtract line 29c from line 28 | 30 -35,492 |
| 31 Total tax (Schedule J, line 10) | 31 0 |
| 32 Payments: a credited to 1994 | 32a |
| b 1994 estimated tax payments | 32b |
| c Less 1994 refund applied for on Form 4468 | 32c d Bal ▶ |
| e Tax deposited with Form 7004 | 32d |
| f Credit from regulated investment companies (attach Form 2439) | 32e |
| g Credit for Federal tax on fuels (attach Form 4136). See Instructions | 32f |
| 33 Estimated tax penalty (see Instructions). Check if Form 2220 is attached | 32g 33 |
| 34 Tax due. If line 32h is smaller than the total of lines 31 and 33, enter amount owed | 34 |
| 35 Overpayment. If line 32h is larger than the total of lines 31 and 33, enter amount overpaid | 35 |
| 36 Enter amt. of line 35 you want: Credited to 1995 est. tax | 36 Refunded ▶ |

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer

DAVID ELKIN

Date

Title

PRESIDENT

Paid Preparer's Use Only

Preparer's signature

Firm's name (or yours if self-employed) and address

COGEN SKLAR LEVICK

150 Monument Road, Suite 500

Bala Cynwyd, PA

Date

Check if self-employed

Preparer's social security number

168-40-6941

E.I. No.

23-1406493

ZIP code

19004

Form 1120 (1994)

US MOBILCOMM, INC.

23-2764588

Page 2

Schedule A Cost of Goods Sold (See Instructions.)

| | | |
|---|---|--|
| 1 Inventory at beginning of year | 1 | |
| 2 Purchases | 2 | |
| 3 Cost of labor | 3 | |
| 4 Additional section 263A costs (attach schedule) | 4 | |
| 5 Other costs (attach schedule) | 5 | |
| 6 Total. Add lines 1 through 5 | 6 | |
| 7 Inventory at end of year | 7 | |
| 8 Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2 | 8 | |

9a Check all methods used for valuing closing inventory:

- Cost Lower of cost or market as described in Regulations section 1.471-4
 Write-down of subnormal goods as described in Regulations section 1.471-2(c)
 Other (Specify method used and attach explanation.) ►

b Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ►

c If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO

9c

d Do the rules of section 263A (for property produced or acquired for resale) apply to the corporation? Yes No

e Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation

Yes No

Schedule C Dividends and Special Deductions (See Instructions.)

| | (a) Dividends received | (b) % | (c) Special deductions: (a) X (b) |
|--|------------------------|---------------|--------------------------------------|
| 1 Dividends from less-than-20%-owned domestic corporations that are subject to the 70% deduction (other than debt-financed stock) | | 70 | |
| 2 Dividends from 20%-or-more-owned domestic corporations that are subject to the 80% deduction (other than debt-financed stock) | | 80 | |
| 3 Dividends on debt-financed stock of domestic and foreign corporations (sec. 246A) | | see instr. | |
| 4 Dividends on certain preferred stock of less-than-20%-owned public utilities | | 42 | |
| 5 Dividends on certain preferred stock of 20%-or-more-owned public utilities | | 48 | |
| 6 Dividends from less-than-20%-owned foreign corporations and certain FSCs that are subject to the 70% deduction | | 70 | |
| 7 Dividends from 20%-or-more-owned foreign corporations and certain FSCs that are subject to the 80% deduction | | 80 | |
| 8 Dividends from wholly owned foreign subsidiaries subject to the 100% deduction (section 245(b)) | | 100 | |
| 9 Total. Add lines 1 through 8. See Instructions for limitation | | | |
| 0 Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958 | | 100 | |
| 1 Dividends from certain FSCs that are subject to the 100% deduction (section 245(c)(1)) | | 100 | |
| 2 Dividends from affiliated group members subject to the 100% deduction (section 243(a)(3)) | | 100 | |
| 3 Other dividends from foreign corporations not included on lines 3, 6, 7, 8, or 11 | | | |
| 4 Income from controlled foreign corporations under subpart F (att. Form(s) 5471) | | | |
| 5 Foreign dividend gross-up (section 78) | | | |
| 6 IC-DISC and former DISC dividends not included on lines 1, 2, or 3 (section 246(d)) | | | |
| 7 Other dividends | | | |
| 8 Deduction for dividends paid on certain preferred stock of public utilities | | | |
| 9 Total dividends. Add lines 1 through 17. Enter here and on line 4, page 1 ► | | | |

D Total special deductions. Add lines 9, 10, 11, 12, and 18. Enter here and on line 29b, page 1 ►

Schedule E Compensation of Officers (See Instructions for line 12, page 1.)

Complete Schedule E only if total receipts (line 1a plus lines 4 through 10 on page 1, Form 1120) are \$500,000 or more.

| (a) Name of officer | (b) Social security number | (c) Percent of time devoted to business | Percent of corporation stock owned | | (f) Amount of compensation |
|---|----------------------------|---|------------------------------------|---------------|----------------------------|
| | | | (d) Common | (e) Preferred | |
| 1 | | % | % | % | % |
| | | % | % | % | % |
| | | % | % | % | % |
| | | % | % | % | % |
| | | % | % | % | % |
| 1 Total compensation of officers | | | | | |
| 1 Compensation of officers claimed on Schedule A and elsewhere on return | | | | | |
| 1 Subtract line 3 from line 2. Enter the result here and on line 12, page 1 | | | | | |

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US MOBILCOMM, INC.

23-2764588

Page 3

Schedule J Tax Computation (See Instructions.)

| | | |
|---|-----------------------------|-----------------------------|
| 1 Check if the corporation is a member of a controlled group (see sections 1561 and 1563) | ► <input type="checkbox"/> | |
| 2a If the box on line 1 is checked, enter the corporation's share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order): | (1) <input type="text"/> \$ | (2) <input type="text"/> \$ |
| b Enter the corporation's share of: | (3) <input type="text"/> \$ | |
| (1) Additional 5% tax (not more than \$11,750) <input type="text"/> \$ | | |
| (2) Additional 3% tax (not more than \$100,000) <input type="text"/> \$ | | |
| 3 Income tax. Check this box if the corporation is a qualified personal service corporation as defined in section 448(d)(2) (see instructions on page 14) | ► <input type="checkbox"/> | 3 0 |
| 4a Foreign tax credit (attach Form 1118) | 4a <input type="checkbox"/> | |
| b Possessions tax credit (attach Form 5735) | 4b <input type="checkbox"/> | |
| c Orphan drug credit (attach Form 6765) | 4c <input type="checkbox"/> | |
| d Check: <input type="checkbox"/> Nonconventional source fuel credit <input type="checkbox"/> QEV credit (att. Form 8834) | 4d <input type="checkbox"/> | |
| e General business credit. Enter here and check which forms are attached: | 4e <input type="checkbox"/> | |
| <input type="checkbox"/> 3800 <input type="checkbox"/> 3468 <input type="checkbox"/> 5884 <input type="checkbox"/> 6478 <input type="checkbox"/> 6765 <input type="checkbox"/> 8586 <input type="checkbox"/> 8830 | 4f <input type="checkbox"/> | |
| <input type="checkbox"/> 8826 <input type="checkbox"/> 8835 <input type="checkbox"/> 8844 <input type="checkbox"/> 8845 <input type="checkbox"/> 8846 <input type="checkbox"/> 8847 | | |
| f Credit for prior year minimum tax (attach Form 8827) | | 5 |
| 5 Total credits. Add lines 4a through 4f | | 6 |
| 6 Subtract line 5 from line 3 | | 7 |
| 7 Personal holding company tax (attach Schedule PH (Form 1120)) | | 8 |
| 8 Recapture taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 | | 9a |
| 9a Alternative minimum tax (attach Form 4626) | | 9b |
| b Environmental tax (attach Form 4626) | | 10 0 |
| 10 Total tax. Add lines 6 through 9b. Enter here and on line 31, page 1 | | |

Schedule K Other Information (See pages 17 and 18 of instructions.)

| | | | | | |
|--|------------------------------|-----------------------------|--|------------------------------|--|
| 1 Check method of accounting: a <input type="checkbox"/> Cash | Yes <input type="checkbox"/> | No <input type="checkbox"/> | 7 Was the corporation a U.S. shareholder of any controlled foreign corporation? (See sections 951 and 957.) | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| b <input checked="" type="checkbox"/> Accrual | | | If "Yes," attach Form 5471 for each such corporation. | | |
| c <input type="checkbox"/> Other (specify) ► | | | Enter number of Forms 5471 attached ► | | |
| 2 Refer to page 19 of the instructions and state the principal: | | | 8 At any time during the 1994 calendar year, did the corporation have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank acct., securities acct., or other financial acct.)? | | X |
| a Business activity code no. ► 4825 | | | If "Yes," the corporation may have to file Form TD F 90-22.1. | | |
| b Business activity ► TWO WAY RADIO | | | If "Yes," enter name of foreign country ► | | |
| c Product or service ► SERVICE | | | 9 Was the corp. the grantor of, or transferor to, a foreign trust that existed during the current tax year, whether or not the corporation has any beneficial interest in it? | | X |
| 3 Did the corporation at the end of the tax year own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) | | X | If "Yes," the corporation may have to file Forms 926, 3520, or 3520-A | | |
| If "Yes," attach a schedule showing: (a) name and identifying number, (b) percentage owned, and (c) taxable income or (loss) before NOL and special deductions of such corporation for the tax year ending with or within your tax year. | | | 10 Did one foreign person at any time during the tax year own, directly or indirectly, at least 25% of: (a) the total voting power of all classes of stock of the corporation entitled to vote, or (b) the total value of all classes of stock of the corporation? If "Yes," | | X |
| 4 Is the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? | | X | a Enter percentage owned ► | | |
| If "Yes," enter employer identification number and name of the parent corporation ► | | | b Enter owner's country ► | | |
| 5 Did any individual, partnership, corporation, estate or trust at the end of the tax year own, directly or indirectly, 50% or more of the corporation's voting stock? (For rules of attribution, see section 267(c).) | | X | c The corporation may have to file Form 5472. Enter number of Forms 5472 attached ► | | |
| If "Yes," attach a schedule showing name and identifying number. (Do not include any information already entered in 4 above.) Enter percentage owned ► 75.0000 | | | 11 Check this box if the corporation issued publicly offered debt instruments with original issue discount ► <input type="checkbox"/> | | |
| During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? (See secs. 301 and 316.) | | X | If so, the corporation may have to file Form 8281. | | |
| If "Yes," file Form 5452. If this is a consolidated return, answer here for the parent corporation and on Form 851, Affiliations Schedule, for each subsidiary. | | | 12 Enter the amount of tax-exempt interest received or accrued during the tax year ► \$ 0 | 0 | |
| 52 | | | 13 If there were 35 or fewer shareholders at the end of the tax year, enter the number ► 2 | | |
| | | | 14 If the corp. has an NOL for the tax year and is electing to forego the carryback period, check here ► <input checked="" type="checkbox"/> | | |
| | | | 15 Enter the available NOL carryover from prior tax years (Do not reduce it by any deduction on line 29a.) ► \$ | | |

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US MOBILCOMM, INC.

23-2764588

Page 4

| Schedule L | Balance Sheets | Beginning of tax year | | End of tax year | |
|---|---|-----------------------|-----|-----------------|---------|
| | | (a) | (b) | (c) | (d) |
| 1 | Cash | | | | 98,250 |
| 2a | Trade notes and accounts receivable | | | | |
| b | Less allowance for bad debts | | | | |
| 3 | Inventories | | | | |
| 4 | U.S. government obligations | | | | |
| 5 | Tax-exempt securities (see instructions) | | | | |
| 6 | Other current assets | See Sch | | | 173,820 |
| 7 | Loans to stockholders | | | | |
| 8 | Mortgage and real estate loans | | | | |
| 9 | Other investments | | | | |
| 10a | Buildings and other depreciable assets | | | 122,015 | |
| b | Less accumulated depreciation | | | 8,340 | 113,675 |
| 11a | Depletable assets | | | | |
| b | Less accumulated depletion | | | | |
| 12 | Land (net of any amortization) | | | | |
| 13a | Intangible assets (amortizable only) | | | 18,500 | |
| b | Less accumulated amortization | | | 297 | 18,203 |
| 14 | Other assets | See Sch | | | 45,970 |
| 15 | Total assets | | | 0 | 449,918 |
| Liabilities and Stockholders' Equity | | | | | |
| 16 | Accounts payable | | | | |
| 17 | Mortgages, notes, bonds payable in less than 1 year | | | | |
| 18 | Other current liabilities | See Sch | | | 114,000 |
| 19 | Loans from stockholders | | | | |
| 20 | Mortgages, notes, bonds payable in 1 year or more | | | | |
| 21 | Other liabilities | | | | |
| 22 | Capital stock: | a Preferred stock | | | |
| | b Common stock | | | 5 | 5 |
| 23 | Paid-in or capital surplus | | | | 371,494 |
| 24 | Retained earnings—Approp. | | | | |
| 25 | Retained earnings—Unappropriated | | | | -35,581 |
| 26 | Less cost of treasury stock | | | | |
| 27 | Total liabilities and stockholders' equity | | | 0 | 449,918 |

Note: You are not required to complete Schedules M-1 and M-2 below if the total assets on line 15, column (d) of Schedule L are less than \$25,000.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return (See Instructions.)

| | | | | | |
|---|---|---------|----|---|---------|
| 1 | Net income (loss) per books | -35,581 | 7 | Income recorded on books this year not included on this return (itemize): Tax-exempt interest \$ | |
| 2 | Federal income tax | | 8 | Deductions on this return not charged against book income this year (itemize): a Depreciation \$ b Contributions carryover \$ | |
| 3 | Excess of capital losses over capital gains | | 9 | Add lines 7 and 8 | |
| 4 | Income subject to tax not recorded on books this year (itemize): | | 10 | Income (line 28, page 1)—line 6 less line 9 | -35,492 |
| 5 | Expenses recorded on books this year not deducted on this return (itemize): a Depreciation \$ b Contributions carryover \$ c Travel & entertainment \$ | 89 | | | |
| | | | | | |
| 6 | Add lines 1 through 5 | -35,492 | | | |

Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Line 25, Schedule L)

| | | | | | | |
|---|------------------------------|---------|---|---|--------|---------|
| 1 | Balance at beginning of year | 0 | 5 | Distributions: | a Cash | |
| 2 | Net income (loss) per books | -35,581 | b | Stock | | |
| 3 | Other increases (itemize): | | c | Property | | |
| | | | 6 | Other decreases (itemize): | | |
| 4 | Add lines 1, 2, and 3 | -35,581 | 7 | Add lines 5 and 6 | | |
| | | | 8 | Balance at end of year (line 4 less line 7) | | -35,581 |

Form 4562

Depreciation and Amortization (Including Information on Listed Property)

OMB No. 1545-0172

1994Attachment
Sequence No. **67**Department of the Treasury
Internal Revenue Service (99)

▶ See separate Instructions.

▶ Attach this form to your return.

Name(s) shown on return

US MOBILCOMM, INC.Identifying number
23-2764588

Business or activity to which this form relates

TWO WAY RADIO SERVICE**Part I Election To Expense Certain Tangible Property (Section 179) (Note: If you have any "Listed Property," complete Part V before you complete Part I.)**

| | | | |
|-----------|--|-----------|------------------|
| 1 | Maximum dollar limitation (If an enterprise zone business, see Instructions.) | 1 | \$17,500 |
| 2 | Total cost of section 179 property placed in service during the tax year (see Instructions) | 2 | |
| 3 | Threshold cost of section 179 property before reduction in limitation | 3 | \$200,000 |
| 4 | Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0- | 4 | |
| 5 | Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. (If married filing separately, see Instructions.) | 5 | |
| | (a) Description of property | (b) Cost | (c) Elected cost |
| 6 | | | |
| 7 | Listed property. Enter amount from line 26 | 7 | |
| 8 | Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7 | 8 | |
| 9 | Tentative deduction. Enter the smaller of line 5 or line 8 | 9 | |
| 10 | Carryover of disallowed deduction from 1993 (see Instructions) | 10 | |
| 11 | Taxable income limitation. Enter the smaller of taxable income (not less than zero) or line 5 (see Instructions) | 11 | |
| 12 | Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11 | 12 | |
| 13 | Carryover of disallowed deduction to 1995. Add lines 9 and 10, less line 12 | 13 | |

Note: Do not use Part II or Part III below for listed property (automobiles, certain other vehicles, cellular telephones, certain computers, or property used for entertainment, recreation, or amusement). Instead, use Part V for listed property.

Part II MACRS Depreciation For Assets Placed In Service ONLY During Your 1994 Tax Year (Do Not Include Listed Property)

| (a) Classification of property | (b) Month and year placed in service | (c) Basis for depreciation (business/investment use only—see instructions) | (d) Recovery period | (e) Convention | (f) Method | (g) Depreciation deduction |
|---|--------------------------------------|--|---------------------|----------------|--------------|----------------------------|
| Section A - General Depreciation System (GDS) (see instructions) | | | | | | |
| 14 a 3-year property | | | | | | |
| b 5-year property | | 41,700 | 5.0 | HY | 200DB | 8,340 |
| c 7-year property | | | | | | |
| d 10-year property | | | | | | |
| e 15-year property | | | | | | |
| f 20-year property | | | | | | |
| g Residential rental property | | | 27.5 yrs. | MM | S/L | |
| | | | 27.5 yrs. | MM | S/L | |
| h Nonresidential real property | | | 39 yrs. | MM | S/L | |
| | | | | MM | S/L | |

Section B - Alternative Depreciation System (ADS) (see instructions)

| | | | | | | |
|------------------------|--|--|---------|-----------|------------|--|
| 15 a Class life | | | | | S/L | |
| b 12-year | | | 12 yrs. | | S/L | |
| c 40-year | | | 40 yrs. | MM | S/L | |

Part III Other Depreciation (Do Not Include Listed Property)

| | | |
|---|-----------|--|
| 16 GDS and ADS deductions for assets placed in service in tax years beginning before 1994 (see Instructions) | 16 | |
| 17 Property subject to section 168(f)(1) election (see Instructions) | 17 | |
| 18 ACRS and other depreciation (see Instructions) | 18 | |

Part IV Summary

| | | |
|--|-----------|--------------|
| 19 Listed property. Enter amount from line 25 | 19 | |
| 20 Total. Add deductions on line 12, lines 14 and 15 in column (g), and lines 16 through 19. Enter here and on the appropriate lines of your return. (Partnerships and S corporations—see Instructions) | 20 | 8,340 |
| 21 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs (see Instructions) | 21 | |

For Paperwork Reduction Act Notice, see page 1 of the separate Instructions.

Form 4562 (1994) US MOBILCOMM, INC.

Part V Listed Property-Automobiles, Certain Other Vehicles, Cellular Telephones, Certain Computers, and Property Used for Entertainment, Recreation, or Amusement

For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 22a, 22b, columns (a) through 1(c) of Section A, all of Section B, and Section C if applicable.

Section A-Depreciation and Other Information (Caution: See Instructions for limitations for automobiles.)

| 22a Do you have evidence to support the busn./inv. use claimed? | | | | | Yes | No | 22b If "Yes," Is the evidence written? | | | Yes | No |
|---|----------------------------------|-------------------------------------|-------------------------------|--|---------------------------|------------------------------|--|------------------------------------|--|-----|----|
| (a) Type of prop. (list vehicles first) | (b) Date placed in service | (c) Busn./inv. use percentage | (d) Cost or other basis | (e) Basis for depreciation (busn./inv. use only) | (f) Recovery period | (g) Method/ Convention | (h) Depreciation deduction | (i) Elected section 179 cost | | | |

23 Property used more than 50% in a qualified business use (see instructions):

| | | | | | | | |
|--|--|---|--|--|--|--|--|
| | | | | | | | |
| | | % | | | | | |
| | | % | | | | | |

24 Property used 50% or less in a qualified business use (see instructions):

| | | | | | | |
|--|---|--|--|--|------|--|
| | | | | | | |
| | % | | | | S/L- | |
| | % | | | | S/L- | |

25 Add amounts in column (h). Enter the total here and on line 19, page 1.

25

26 Add amounts in column (i). Enter the total here and on line 7, page 1.

26

Section B-Information on Use of Vehicles- If you deduct expenses for vehicles:

- Always complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person.
 - If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

Section C-Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B. Note: Section B must always be completed.

completed for vehicles used by sole proprietors, partners, or other more than 5% owners or related persons.

| Simplified for vehicles used by sole proprietors, partners, or other more than 5% owners or related persons. | | |
|--|-----|----|
| | Yes | No |
| 34 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? | | |
| 35 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? (See Instructions for vehicles used by corporate officers, directors, or 1% or more owners.) | | |
| 36 Do you treat all use of vehicles by employees as personal use? | | |
| 37 Do you provide more than five vehicles to your employees and retain the information received from your employees concerning the use of the vehicles? | | |
| 38 Do you meet the requirements concerning qualified automobile demonstration use (see Instructions)? | | |

Note: If your answer to 34, 35, 36, 37, or 38 is "Yes," you need not complete Section B for the covered vehicles.

Part VI Amortization

| (a) Description of costs | (b) Date amortization begins | (c) Amortizable amount | (d) Code section | (e) Amortization period or percentage | (f) Amortization for this year |
|---|------------------------------------|------------------------------|------------------------|--|--------------------------------------|
| 9 Amortization of costs that begins during your 1994 tax year. | | | | | |
| See Schedule | | 18,500 | | | 297 |
| 0 Amortization of costs that began before 1994 | | | 40 | | |
| 1 Total. Enter here and on "Other Deductions" or "Other Expenses" line of your return | | | 41 | | 297 |

Form 4626

Department of the Treasury
Internal Revenue Service

Alternative Minimum Tax-Corporations

(including environmental tax)

- See separate instructions.
- Attach to the corporation's tax return.

OMB No. 1545-0175

1994

Name

US MOBILCOMM, INC.

Employer Identification number
23-2764588

| | | | |
|---|--|----|---------|
| 1 | Taxable income or (loss) before net operating loss deduction. (Important: See instructions if the corporation is subject to the environmental tax.) | 1 | -35,492 |
| 2 | Adjustments and preferences: | | |
| a | Depreciation of post-1986 property | 2a | 3,872 |
| b | Amortization of certified pollution control facilities | 2b | |
| c | Amortization of mining exploration and development costs | 2c | |
| d | Amortization of circulation expenditures (personal holding companies only) | 2d | |
| e | Adjusted gain or loss | 2e | |
| f | Long-term contracts | 2f | |
| g | Installment sales | 2g | |
| h | Merchant marine capital construction funds | 2h | |
| i | Section 833(b) deduction (Blue Cross, Blue Shield, and similar type organizations only) | 2i | |
| j | Tax shelter farm activities (personal service corporations only) | 2j | |
| k | Passive activities (closely held corporations & personal serv. corporations only) | 2k | |
| l | Loss limitations | 2l | |
| m | Depletion | 2m | |
| n | Tax-exempt interest from specified private activity bonds | 2n | |
| o | Charitable contributions | 2o | |
| p | Intangible drilling costs | 2p | |
| q | Reserves for losses on bad debts of financial institutions | 2q | |
| r | Accelerated depreciation of real property (pre-1987) | 2r | |
| s | Accelerated depreciation of leased personal property (pre-1987) (personal holding companies only) | 2s | |
| t | Other adjustments | 2t | |
| u | Combine lines 2a through 2t | 2u | 3,872 |
| 3 | Preadjustment alternative minimum taxable income (AMTI). Combine lines 1 and 2u | 3 | -31,620 |
| 4 | Adjusted current earnings (ACE) adjustment: | | |
| a | Enter the corporation's ACE from line 10 of the worksheet on page 8 of the instr. | 4a | -31,420 |
| b | Subtract line 3 from line 4a. If line 3 exceeds line 4a, enter the difference as a negative amount (see instructions for examples) | 4b | 200 |
| c | Multiply line 4b by 75% (.75). Enter the result as a positive amount | 4c | 150 |
| d | Enter the excess, if any, of the corporation's total increases in AMTI from prior year ACE adjustments over its total reductions in AMTI from prior year ACE adjustments (see instructions). Note: You must enter an amount on line 4d (even if line 4b is positive) | 4d | |
| e | ACE adjustment: | 4e | 150 |
| | • If you entered a positive number or zero on line 4b, enter the amount from line 4c here as a positive amount. | | |
| | • If you entered a negative number on line 4b, enter the smaller of line 4c or line 4d here as a negative amount. | | |
| 5 | Combine lines 3 and 4e. If zero or less, stop here; the corporation does not owe alternative minimum tax | 5 | -31,470 |
| 6 | Alternative tax net operating loss deduction (see instructions) | 6 | |
| 7 | Alternative minimum taxable income. Subtract line 6 from line 5 | 7 | |

or Paperwork Reduction Act Notice, see separate instructions.

Form 4626 (1994)

Adjusted Current Earnings Adjustment Worksheet

Form 4626

Line 4a

For calendar year 1994, or tax year beginning

1994

, and ending

Taxpayer Identification Number

Name

US MOBILCOMM, INC.

23-2764588

| | | | |
|-----|--|-------|---------|
| 1 | Pre-adjustment AMTI. Enter the amount from line 3 of Form 4626 | 1 | -31,620 |
| 2 | ACE depreciation adjustment: | | |
| a | AMT depreciation | 2a | 4,468 |
| b | ACE depreciation: | | |
| (1) | Post-1993 property | 2b(1) | 4,468 |
| (2) | Post-1989, pre-1994 property | 2b(2) | |
| (3) | Pre-1990 MACRS property | 2b(3) | |
| (4) | Pre-1990 original ACRS property | 2b(4) | |
| (5) | Property described in sections 168(f)(1) through (4) | 2b(5) | |
| (6) | Other property | 2b(6) | |
| (7) | Total ACE depreciation. Add lines 2b(1) through 2b(6) | 2b(7) | 4,468 |
| c | ACE depreciation adjustment. Subtract line 2b(7) from line 2a | 2c | |
| 3 | Inclusion in ACE of items included in earnings and profits (E&P): | | |
| a | Tax-exempt interest income | 3a | |
| b | Death benefits from life insurance contracts | 3b | |
| c | All other distributions from life insurance contracts (including surrenders) | 3c | |
| d | Inside build-up of undistributed income in life insurance contracts | 3d | |
| e | Other items (see Regulations sections 1.56(g)-1(c)(6)(ii) through (ix) for a partial list) | 3e | |
| f | Total increase to ACE from inclusion in ACE of items included in E&P. Add lines 3a through 3e | 3f | |
| 4 | Disallowance of items not deductible from E&P: | | |
| a | Certain dividends received | 4a | |
| b | Dividends paid on certain preferred stock of public utilities that are deductible under section 247 | 4b | |
| c | Dividends paid to an ESOP that are deductible under section 404(k) | 4c | |
| d | Nonparticipation dividends that are paid and deductible under section 1382(c) | 4d | |
| e | Other items (see Regulations sections 1.56(g)-1(d)(3)(i) and (ii) for a partial list) | 4e | |
| f | Total increase to ACE because of disallowance of items not deductible from E&P. Add lines 4a through 4e | 4f | |
| 5 | Other adjustments based on rules for figuring E&P: | | |
| a | Intangible drilling costs | 5a | |
| b | Circulation expenditures | 5b | |
| c | Organizational expenditures | 5c | 200 |
| d | LIFO inventory adjustments | 5d | |
| e | Installment sales | 5e | |
| f | Total other E&P adjustments. Combine lines 5a through 5e | 5f | 200 |
| 6 | Disallowance of loss on exchange of debt tools | 6 | |
| 7 | Adjustment expenses of life insurance companies for qualified foreign contracts | 7 | |
| 8 | Depletion | 8 | |
| 9 | Basis adjustments in determining gain or loss from sale or exchange of pre-1994 property | 9 | |
| 0 | Adjusted current earnings. Combine lines 1, 2c, 3f, 4f, and 5f through 9. Enter the result here and on line 4a of Form 4626 | 10 | -31,420 |

Form 4626 (1994)

US MOBILCOMM, INC.

23-2764588

Page 2

| | | |
|--|----|---|
| 8 Enter the amount from line 7 (alternative minimum taxable income) | 8 | 0 |
| 9 Exemption phase-out computation (If line 8 is \$310,000 or more, skip lines 9a and 9b and enter -0- on line 9c): | | |
| a Subtract \$150,000 from line 8 (if you are completing this line for a member of a controlled group, see Instr.). If zero or less, enter -0- | 9a | 0 |
| b Multiply line 9a by 25% (.25) | 9b | 0 |
| c Exemption. Subtract line 9b from \$40,000 (if you are completing this line for a member of a controlled group, see Instructions). If zero or less, enter -0- | 9c | 0 |
| 10 Subtract line 9c from line 8. If zero or less, enter -0- | 10 | 0 |
| 11 Multiply line 10 by 20% (.20). | 11 | 0 |
| 12 Alternative minimum tax foreign tax credit. See Instructions for limitations | 12 | 0 |
| 13 Tentative minimum tax. Subtract line 12 from line 11 | 13 | 0 |
| 14 Regular tax liability before all credits except the foreign tax credit and possessions tax credit | 14 | 0 |
| 15 Alternative minimum tax. Subtract line 14 from line 13. Enter the result on the appropriate line of the corporation's income tax return (e.g., Form 1120, Schedule J, line 9a). If zero or less, enter -0-. | 15 | 0 |
| 16 Environmental tax. Subtract \$2 million from line 5 (figured without the corporation's environmental tax deduction). Multiply the excess, if any, by 0.12% (.0012). Enter the result here and on the appropriate line of the corporation's income tax return (e.g., Form 1120, Schedule J, line 9b). If you are completing this line for a member of a controlled group, see the Instructions | 16 | 0 |

Regular Tax

NOL & Contribution Carryover Worksheet

1994

For calendar year 1994, or tax year beginning _____, and ending _____

Name

US MOBILCOMM, INC.

Taxpayer Identification Number

23-2764588

| Preceding Taxable Year | Adj. To NOL Inc/(Loss) After Adj. | Prior Year | | Current Year | | Next Year |
|---|--------------------------------------|---------------------------------|------------|---------------------------|-----------------------------------|-----------|
| | | NOL Utilized (Income Offset) | Carryovers | Carryover NOL Utilized | Income Offset By NOL Carryback | |
| 15th 12/31/79 | | | | | | |
| 14th 12/31/80 | | | | | | |
| 13th 12/31/81 | | | | | | |
| 12th 12/31/82 | | | | | | |
| 11th 12/31/83 | | | | | | |
| 10th 12/31/84 | | | | | | |
| 9th 12/31/85 | | | | | | |
| 8th 12/31/86 | | | | | | |
| 7th 12/31/87 | | | | | | |
| 6th 12/31/88 | | | | | | |
| 5th 12/31/89 | | | | | | |
| 4th 12/31/90 | | | | | | |
| 3rd 12/31/91 | | | | | | |
| 2nd 12/31/92 | | | | | | |
| 1st 12/31/93 | | | | | | |
| NOL Carryover Available To Current Year | | | | 0 | | |
| Current Year | 0 (35,492) | | | | | 35,492 |
| NOL Carryover Available To Next Year | | | | | | |
| | | | | | | |

| Charitable Contributions | | Prior Year | | Current Year | | Next Year |
|--|-------------------------|------------------------------------|-----------|--|------------------------|-----------|
| Preceding Tax Year | Excess Contributions | Utilized Or Reclassified to NOL | Carryover | Reclassified to NOL (Reg. Sec. 1.170A-11(c)(2)) | Carryovers Utilized | Carryover |
| 12/31/89 | | | | | | |
| 12/31/90 | | | | | | |
| 12/31/91 | | | | | | |
| 12/31/92 | | | | | | |
| 12/31/93 | | | | | | |
| Charitable Contribution Carryover To Current Year | | | 0 | | | |
| Current Year | 0 | | | | | 0 |
| Charitable Contribution Carryover Available To Next Year | | | | | | 0 |

NOL & Contribution Carryover Worksheet**1994**

For calendar year 1994, or tax year beginning _____, and ending _____

Name

Taxpayer Identification Number

US MOBILCOMM, INC.

23-2764588

| Preceding Taxable Year | Adj. To NOL Inc/(Loss) After Adj. | Prior Year | | Current Year | | Next Year |
|---|--------------------------------------|---------------------------------|------------|---------------------------|-----------------------------------|-----------|
| | | NOL Utilized (Income Offset) | Carryovers | Carryover NOL Utilized | Income Offset By NOL Carryback | |
| 15th 12/31/79 | | | | | | |
| 14th 12/31/80 | | | | | | |
| 13th 12/31/81 | | | | | | |
| 12th 12/31/82 | | | | | | |
| 11th 12/31/83 | | | | | | |
| 10th 12/31/84 | | | | | | |
| 9th 12/31/85 | | | | | | |
| 8th 12/31/86 | | | | | | |
| 7th 12/31/87 | | | | | | |
| 6th 12/31/88 | | | | | | |
| 5th 12/31/89 | | | | | | |
| 4th 12/31/90 | | | | | | |
| 3rd 12/31/91 | | | | | | |
| 2nd 12/31/92 | | | | | | |
| 1st 12/31/93 | | | | | | |
| NOL Carryover Available To Current Year | | | | 0 | | |
| Current Year | (31,470) | | | | | 31,470 |
| NOL Carryover Available To Next Year | | | | | | 31,470 |

| Charitable Contributions | | Prior Year | | Current Year | | Next Year |
|--|-------------------------|------------------------------------|-----------|--|------------------------|-----------|
| Preceding Tax Year | Excess Contributions | Utilized Or Reclassified to NOL | Carryover | Reclassified to NOL Reg.Sec. 1.170A-11(c)(2)) | Carryovers Utilized | Carryover |
| th 12/31/89 | | | | | | |
| th 12/31/90 | | | | | | |
| rd 12/31/91 | | | | | | |
| ad 12/31/92 | | | | | | |
| rd 12/31/93 | | | | | | |
| Charitable Contribution Carryover To Current Year | | | 0 | | | |
| Current Year | 0 | | | | | 0 |
| Charitable Contribution Carryover Available To Next Year | | | | | | 0 |

Form 1120, P1
6/22/95 11:25 am

US MOBILCOMM, INC.

FYE: 12/31/94

EIN: 23-2764588

14880

Page 1

Page 1, Line 26 - Other Deductions

| Description | Amount |
|-----------------------------|------------------|
| ANK SERVICE CHARGES | \$ 108 |
| UES AND SEMINARS | 2,846 |
| EGAL FEES | 15,535 |
| FFICE SUPPLIES | 2,279 |
| OSTAGE & FEDERAL EXPRESS | 727 |
| ELEPHONE | 4,884 |
| RAVEL | 2,733 |
| mortization | 297 |
| 0% of Meals & Entertainment | 90 |
| | <u>\$ 29,499</u> |

Form 1120, P3

6/22/95 11:25 am

US MOBILCOMM, INC.

FYE: 12/31/94

14880

EIN: 23-2764588

Page 2

Other Information, Question 5 - Did entity own 50% or more of Corp voting stock

| Name of Entity | EIN/SSN | Percent Owned |
|----------------|-------------|----------------------------------|
| DAVID ELKIN | 043-50-6463 | <u>75.0000</u> <u>75.0000</u> |

Form 1120, P4
6/22/95 11:25 am

US MOBILCOMM, INC.

FYE: 12/31/94

EIN: 23-2764588

14880

Page 3

Page 4, Schedule L, Line 6 - Other Current Assets

| <u>Description</u> | <u>Beginning of Year</u> | <u>End of Year</u> |
|---|------------------------------|------------------------|
| DUUE FROM AFFILIATE , LICENSE OPTION PAYMENT | \$ 142,720 31,100 | |
| | <u>\$ 0</u> | <u>\$ 173,820</u> |

Page 4, Schedule L, Line 14 - Other Assets

| <u>Description</u> | <u>Beginning of Year</u> | <u>End of Year</u> |
|--------------------------|------------------------------|------------------------|
| CONSTRUCTION IN PROGRESS | | \$ 45,970 |
| | <u>\$ 0</u> | <u>\$ 45,970</u> |

Page 4, Schedule L, Line 18 - Other Current Liabilities

| <u>Description</u> | <u>Beginning of Year</u> | <u>End of Year</u> |
|----------------------|------------------------------|------------------------|
| DEPOSITS - LICENSEES | | \$ 114,000 |
| | <u>\$ 0</u> | <u>\$ 114,000</u> |

Depreciation, P2
6/22/95 11:25 amUS MOBILCOMM, INC.
FYE: 12/31/94 EIN: 23-276458814880
Page 4Form 4562, Part VI, Line 39, Amortization Beginning in 1994 - TWO WAY RADIO SERV

| <u>Description</u> | <u>Date Amortization Begins</u> | <u>Amortizable Amount</u> | <u>Code Section</u> | <u>Period/ Percent</u> | <u>Current Year Amortization</u> |
|-----------------------|---------------------------------|---------------------------|---------------------|------------------------|----------------------------------|
| CC LICENSE | 12/01/94 | \$ 17,500 | 197 | 15.0 | \$ 97 |
| INCORPORATION EXPENSE | 1/01/94 | \$ 1,000 | 248 | 5.0 | \$ 200 |
| | | <u>\$ 18,500</u> | | | <u>\$ 297</u> |

Form 1120, P1

6/22/95 11:25 am

US MOBILCOMM, INC.

FYE: 12/31/94

EIN: 23-2764588

14880

Page 1

Page 1 - Taxes

| <u>Description</u> | <u>Amount</u> |
|------------------------|---------------|
| DELAWARE FRANCHISE TAX | \$ 103 |
| | \$ 103 |

**SCHEDULE K-1
(Form 1120S)**Department of the Treasury
Internal Revenue Service**Shareholder's Share of Income, Credits, Deductions, etc.**

OMB No. 1545-0130

► See separate instructions.

For calendar year 1994 or tax year

beginning 4/04/94, and ending 12/31/94

1994

| | | | |
|--|-------------|---|------------|
| Shareholder's identifying number ► | 043-50-6463 | Corporation's identifying number ► | 23-2767067 |
| Shareholder's name, address, and ZIP code | | Corporation's name, address, and ZIP code | |
| DAVID ELKIN 805 BRYN MAWR AVE NEWTOWN SQUARE | PA 19073 | US MOBILCOMM MANAGEMENT CORP 805 BRYN MAWR AVE NEWTOWN SQUARE | PA 19073 |

- A Shareholder's percentage of stock ownership for tax year (see instructions for Schedule K-1) ► 75.00000%
- B Internal Revenue Service Center where corporation filed its return ► Philadelphia, PA 19255
- C Tax shelter registration number (see instructions for Schedule K-1) ►
- D Check applicable boxes: (1) Final K-1 (2) Amended K-1

| (a) Pro rata share items | | (b) Amount | (c) Form 1040 filers enter the amount in column (b) on: |
|--------------------------|---|------------|--|
| 1 | Ordinary income (loss) from trade or business activities | 1 -99,081 | See Shareholder's Instructions for Schedule K-1 (Form 1120S). |
| 2 | Net income (loss) from rental real estate activities | 2 | |
| 3 | Net income (loss) from other rental activities | 3 | |
| 4 | Portfolio income (loss): | 4 | |
| a | Interest | 4a 19 | Sch. B, Part I, line 1 |
| b | Dividends | 4b | Sch. B, Part II, line 5 |
| c | Royalties | 4c | Sch. E, Part I, line 4 |
| d | Net short-term capital gain (loss) | 4d | Sch. D, line 5, col. (f) or (g) |
| e | Net long-term capital gain (loss) | 4e | Sch. D, line 13, col. (f) or (g) |
| f | Other portfolio income (loss) | 4f | (Enter on appl. in. of your return.) |
| 5 | Net gain (loss) under section 1231 (other than due to casualty or theft) | 5 | See Shareholder's Instructions for Schedule K-1 (Form 1120S). |
| 6 | Other income (loss) (attach schedule) | 6 | (Enter on appl. in. of your return.) |
| 7 | Charitable contributions (see instr.) | 7 | Sch. A, line 15 or 16 |
| 8 | Section 179 expense deduction | 8 | |
| 9 | Deductions related to portfolio inc. (loss) | 9 | See Shareholder's Instructions for Schedule K-1 (Form 1120S). |
| 10 | Other deductions (attach schedule) | 10 | |
| 11a | Interest expense on investment debts | 11a | Form 4952, line 1 |
| b | (1) Investment income included on lines 4a, 4b, 4c, and 4f above | b(1) 19 | See Shareholder's Instructions for Schedule K-1 (Form 1120S). |
| | (2) Investment expenses included on line 9 above | b(2) | |
| 12a | Credit for alcohol used as fuel | 12a | Form 6478, line 10 |
| b | Low-income housing credit: | b(1) | |
| | (1) From section 42(j)(5) partnerships for property placed in service before 1980 | b(2) | Form 8586, line 5 |
| | (2) Other than on line 12b(1) for property placed in service before 1990 | b(3) | |
| | (3) From section 42(j)(5) partnerships for property placed in service after 1988 | b(4) | |
| | (4) Other than on line 12b(3) for property placed in service after 1988 | 12c | |
| c | Qualified rehabilitation expenditures related to rental real estate activities (see instructions) | 12d | See Shareholder's Instructions for Schedule K-1 (Form 1120S). |
| d | Credits (other than credits shown on lines 12b and 12c) related to rental real estate activities (see instr.) | 12e | |
| e | Credits related to other rental activities | 13 | |
| 14a | Depreciation adjustment on property placed in service after 1986 | 14a | |
| b | Adjusted gain or loss | 14b | See Shareholder's Instructions for Schedule K-1 (Form 1120S) and Instructions for Form 6251. |
| c | Depletion (other than oil and gas) | 14c | |
| d | (1) Gross income from oil, gas, or geothermal properties | d(1) | |
| | (2) Deductions allocable to oil, gas, or geothermal properties | d(2) | |
| e | Other adjustments and tax preference items | 14e | |

For Paperwork Reduction Act Notice, see page 1 of Instructions for Form 1120S.

Schedule K-1 (Form 1120S) 1994

DAVID ELKIN

US MOBILCOMM MANAGEMENT CORP

043-50-6463

23-2767067

Page 2

Schedule K-1 (Form 1120S) (1994)

Foreign Taxes

(a) Pro rata share items

(b) Amount

(c) Form 1040 filers enter
the amount in column (b) on:

Form 1116, Check boxes

- 15a Type of income ►
 b Name of foreign country or U.S. possession
 ►
 c Total gross income from sources outside the U.S.
 d Total applicable deductions and losses
 e Total foreign taxes (check one): ► Paid Accrued
 f Reduction in taxes available for credit
 g Other foreign tax information

15c

15d

15e

15f

15g

Form 1116, Part I

Form 1116, Part II

Form 1116, Part III

See Instructions for Form 1116

Other

- 16a Total expenditures to which a section 59(e) election may apply
 b Type of expend. ►
 17 Tax-exempt interest income
 18 Other tax-exempt income
 19 Nondeductible expenses
 20 Property distributions (including cash) other than dividend distributions reported to you on Form 1099-DIV
 21 Amount of loan repayments for "Loans From Shareholders"
 22 Recapture of low-income housing credit:
 a From section 42(j)(5) partnerships
 b Other than on line 22a

16a

17

18

19

684

20

21

22a

22b

See Shareholder's Instructions
for Schedule K-1 (Form 1120S).

Form 1040, line 8b

See Shareholder's Instructions
for Schedule K-1 (Form 1120S).

Form 8611, line 8

- 23 Supplemental information required to be reported separately to each shareholder (attach additional schedules if more space is needed):

Supplemental Information

**SCHEDULE K-1
(Form 1120S)**Department of the Treasury
Internal Revenue Service**Shareholder's Share of Income, Credits, Deductions, etc.**

OMB No. 1545-0130

► See separate instructions.

For calendar year 1994 or tax year

beginning 4/04/94, and ending 12/31/94

1994

| | | | |
|--|---|---|------------|
| Shareholder's identifying number ► | 042-54-2612 | Corporation's identifying number ► | 23-2767067 |
| Shareholder's name, address, and ZIP code | Corporation's name, address, and ZIP code | | |
| JEFFREY NORMAN 1824 STORRS ROAD STORRS | CT 06268 | US MOBILCOMM MANAGEMENT CORP 805 BRYN MAWR AVE NEWTOWN SQUARE | PA 19073 |

- A Shareholder's percentage of stock ownership for tax year (see instructions for Schedule K-1) ► 25.00000%
- B Internal Revenue Service Center where corporation filed its return ► Philadelphia, PA 19255
- C Tax shelter registration number (see instructions for Schedule K-1) ►
- D Check applicable boxes: (1) Final K-1 (2) Amended K-1

| | (a) Pro rata share items | (b) Amount | (c) Form 1040 filers enter the amount in column (b) on: |
|---|---|------------|---|
| Income (Loss) | 1 Ordinary income (loss) from trade or business activities | 1 -33,027 | See Shareholder's Instructions for Schedule K-1 (Form 1120S). |
| | 2 Net income (loss) from rental real estate activities | 2 | |
| | 3 Net income (loss) from other rental activities | 3 | |
| | 4 Portfolio income (loss): | 4 | Sch. B, Part I, line 1 |
| | a Interest | 4a 6 | Sch. B, Part II, line 5 |
| | b Dividends | 4b | Sch. E, Part I, line 4 |
| | c Royalties | 4c | Sch. D, line 5, col. (f) or (g) |
| | d Net short-term capital gain (loss) | 4d | Sch. D, line 13, col. (f) or (g) |
| | e Net long-term capital gain (loss) | 4e | (Enter on appl. in. of your return.) |
| | f Other portfolio income (loss) | 4f | See Shareholder's Instructions for Schedule K-1 (Form 1120S). |
| | 5 Net gain (loss) under section 1231 (other than due to casualty or theft) | 5 | (Enter on appl. in. of your return.) |
| | 6 Other income (loss) (attach schedule) | 6 | |
| Deductions | 7 Charitable contributions (see instr.) | 7 | Sch. A, line 15 or 16 |
| | 8 Section 179 expense deduction | 8 | See Shareholder's Instructions for Schedule K-1 (Form 1120S). |
| | 9 Deductions related to portfolio inc. (loss) | 9 | |
| | 10 Other deductions (attach schedule) | 10 | |
| Investment Interest | 11a Interest expense on investment debts | 11a | Form 4952, line 1 |
| | b (1) Investment income included on lines 4a, 4b, 4c, and 4f above | b(1) 6 | See Shareholder's Instructions for Schedule K-1 (Form 1120S). |
| | (2) Investment expenses included on line 9 above | b(2) | |
| Credits | 12a Credit for alcohol used as fuel | 12a | Form 6478, line 10 |
| | b Low-income housing credit: | b(1) | |
| | (1) From section 42(j)(5) partnerships for property placed in service before 1990 | b(2) | Form 8586, line 5 |
| | (2) Other than on line 12b(1) for property placed in service before 1990 | b(3) | |
| | (3) From section 42(j)(5) partnerships for property placed in service after 1989 | b(4) | |
| | (4) Other than on line 12b(3) for property placed in service after 1989 | 12c | See Shareholder's Instructions for Schedule K-1 (Form 1120S). |
| | c Qualified rehabilitation expenditures related to rental real estate activities (see instructions) | 12d | |
| | d Credits (other than credits shown on lines 12b and 12c) related to rental real estate activities (see instr.) | 12e | |
| | e Credits related to other rental activities | 13 | |
| Adjustments and Tax Preference Items | 14a Depreciation adjustment on property placed in service after 1986 | 14a | See Shareholder's Instructions for Schedule K-1 (Form 1120S) and Instructions for Form 8251 |
| | b Adjusted gain or loss | 14b | |
| | c Depletion (other than oil and gas) | 14c | |
| | d (1) Gross income from oil, gas, or geothermal properties | d(1) | |
| | (2) Deductions allocable to oil, gas, or geothermal properties | d(2) | |
| | e Other adjustments and tax preference items | 14e | |

For Paperwork Reduction Act Notice, see page 1 of Instructions for Form 1120S.

Schedule K-1 (Form 1120S) 1994

JEFFREY NORMAN

042-54-2612

Schedule K-1 (Form 1120S) (1994) US MOBILCOMM MANAGEMENT CORP

23-2767067

Page 2

(a) Pro rata share items

(b) Amount

(c) Form 1040 filers enter
the amount in column (b) on:

| | | | | | |
|--|---|-----|-----|--|--|
| Foreign Taxes | 15a Type of income ► | | 15c | | Form 1116, Check boxes Form 1116, Part I |
| | b Name of foreign country or U.S. possession ► | | | | |
| | c Total gross income from sources outside the U.S. | | | | |
| | d Total applicable deductions and losses | | | | |
| | e Total foreign taxes (check one): ► <input type="checkbox"/> Paid <input type="checkbox"/> Accrued | | | | |
| | f Reduction in taxes available for credit | | | | |
| | g Other foreign tax information | | | | |
| Other | 16a Total expenditures to which a section 59(e) election may apply | | 16a | | See Shareholder's Instructions for Schedule K-1 (Form 1120S). Form 1040, line 8b |
| | b Type of expend. ► | | | | |
| | 17 Tax-exempt interest income | | | | |
| | 18 Other tax-exempt income | | | | |
| | 19 Nondeductible expenses | | | | |
| | 20 Property distributions (including cash) other than dividend distributions reported to you on Form 1099-DIV | | | | |
| | 21 Amount of loan repayments for "Loans From Shareholders" | | | | |
| 22 Recapture of low-income housing credit: a From section 42(j)(5) partnerships b Other than on line 22a | | 228 | 22a | | See Shareholder's Instructions for Schedule K-1 (Form 1120S). Form 8611, line 8 |
| | | | | | |

23 Supplemental information required to be reported separately to each shareholder (attach additional schedules if more space is needed):

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Form 1120S

U.S. Income Tax Return for an S Corporation

OMB No. 1545-0130

► Do not file this form unless the corporation has timely filed

Form 2553 to elect to be an S corporation.

Extension Granted to 09/15/96

1995

Department of the Treasury
Internal Revenue Service

For calendar year 1995, or tax year beginning

COPY

| | | | |
|--|---|--|---|
| A Date of election as an S corporation 04/04/1994 | Use IRS label. Otherwise, please print or type. | Name US MOBILCOMM MANAGEMENT CORP | C Employer identification number 23-2767067 |
| B Business code no. (see Specific Instructions) 4825 | | Number, street, and room or suite no. (If a P.O. box, see page 9 of the instructions.) 805 BRYN MAWR AVE | D Date incorporated 04/04/1994 |
| | | City or town, state, and ZIP code NEWTOWN SQUARE, PA 19073 | E Total assets (see Specific Instructions) \$ 16,819. |

F Check applicable boxes: (1) Initial return (2) Final return (3) Change in address (4) Amended returnG Check this box if this S corporation is subject to the consolidated audit procedures of sections 6241 through 6245 (see instructions before checking this box) ► H Enter number of shareholders in the corporation at end of the tax year ► **2**

Caution: Include only trade or business income and expenses on lines 1a through 21. See the instructions for more information.

| | | | | |
|---------------|---|-------------------------------|---------|--------------------|
| Income | 1 a Gross receipts or sales 411,034. | b Less returns and allowances | c Bal ► | 1c 411,034. |
| | 2 Cost of goods sold (Schedule A, line 8) | | | 2 367,677. |
| | 3 Gross profit. Subtract line 2 from line 1c | | | 3 43,357. |
| | 4 Net gain (loss) from Form 4797, Part II, line 20 (attach Form 4797) | | | 4 |
| | 5 Other income (loss) (attach schedule) | | | 5 |
| | 6 Total income (loss). Combine lines 3 through 5 | | ► | 6 43,357. |

| | | | |
|--|--|--------------------|---------------------|
| Deductions (See instructions for limitations) | 7 Compensation of officers | Statement 1 | 7 |
| | 8 Salaries and wages (less employment credits) | | 8 |
| | 9 Repairs and maintenance | | 9 368. |
| | 10 Bad debts | | 10 |
| | 11 Rents | | 11 |
| | 12 Taxes and licenses | Statement 2 | 12 352. |
| | 13 Interest | | 13 |
| | 14 a Depreciation (if required, attach Form 4562) | 14a | 14c |
| | b Depreciation claimed on Schedule A and elsewhere on return | 14b | |
| | c Subtract line 14b from line 14a | | |
| | 15 Depletion (Do not deduct oil and gas depletion.) | | 15 |
| | 16 Advertising | | 16 |
| | 17 Pension, profit-sharing, etc., plans | | 17 |
| | 18 Employee benefit programs | | 18 |
| | 19 Other deductions (attach schedule) | Statement 3 | 19 226,725. |
| | 20 Total deductions. Add the amounts shown in the far right column for lines 7 through 19 | ► | 20 227,445. |
| | 21 Ordinary income (loss) from trade or business activities. Subtract line 20 from line 6 | ► | 21 -184,088. |

| | | | |
|-------------------------|--|----------------------------|------------|
| Tax and Payments | 22 Tax: a Excess net passive income tax (attach schedule) | 22a | 22c |
| | b Tax from Schedule D (Form 1120S) | 22b | |
| | c Add lines 22a and 22b | | |
| | 23 Payments: a 1995 estimated tax payments and amount applied from 1994 return | 23a | 23d |
| | b Tax deposited with Form 7004 | 23b | |
| | c Credit for Federal tax paid on fuels (attach Form 4136) | 23c | |
| | d Add lines 23a through 23c | | |
| | 24 Estimated tax penalty. Check if Form 2220 is attached | ► <input type="checkbox"/> | 24 |
| | 25 Tax due. If the total of lines 22c and 24 is larger than line 23d, enter amount owed. See instructions for depositary method of payment | ► | 25 |
| | 26 Overpayment. If line 23d is larger than the total of lines 22c and 24, enter amount overpaid | ► | 26 |
| | 27 Enter amount of line 26 you want credited to 1996 estimated tax ► | ► Refunded | 27 |

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

► Signature of officer Date Title

Paid Preparer's Use Only

| | | | |
|--|------------------------------|---|---|
| Preparer's signature | Date | Check if self-employed ► <input type="checkbox"/> | Preparer's social security number 168 40 6941 |
| Firm's name (or yours if self-employed) and address ► Cogen Sklar LLP ► 150 Monument Road - Suite 500 ► Bala Cynwyd, PA | E.I. No. ► 23 1406493 | ZIP code ► 19004 | |

Schedule A Cost of Goods Sold

| | | |
|---|---|----------|
| 1 Inventory at beginning of year | 1 | |
| 2 Purchases | 2 | 312,871. |
| 3 Cost of labor | 3 | |
| 4 Additional section 263A costs (attach schedule) | 4 | |
| 5 Other costs (attach schedule) | 5 | 54,806. |
| 6 Total. Add lines 1 through 5 | 5 | 367,677. |
| 7 Inventory at end of year | 7 | |
| 8 Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2 | 8 | 367,677. |

9 a Check all methods used for valuing closing inventory:

- (i) Cost as described in Regulations section 1.471-3
 (ii) Lower of cost or market as described in Regulations section 1.471-4
 (iii) Other (specify method used and attach explanation) ►

- b Check if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c) ►
 c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ►
 d If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO ► 9d
 e Do the rules of section 263A (for property produced or acquired for resale) apply to the corporation? ► Yes No
 f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? ► Yes No
 If "Yes," attach explanation.

Schedule B Other Information

| | Yes | No |
|---|-----|----|
| 1 Check method of accounting: (a) <input checked="" type="checkbox"/> Cash (b) <input type="checkbox"/> Accrual (c) <input type="checkbox"/> Other (specify) ► | | |
| 2 Refer to the list on page 24 of the instructions and state the corporation's principal: (a) Business activity ► TWO WAY RADIO (b) Product or service ► SERVICE | | |
| 3 Did the corporation at the end of the tax year own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) If "Yes," attach a schedule showing: (a) name, address, and employer identification number and (b) percentage owned | X | |
| 4 Was the corporation a member of a controlled group subject to the provisions of section 1561? | X | |
| 5 At any time during calendar year 1995, did the corporation have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? (See page 14 of the instructions for exceptions and filing requirements for form TD F 90-22.1.) If "Yes," enter the name of the foreign country ► | X | |
| 6 Was the corporation the grantor of, or transferor to, a foreign trust that existed during the current tax year, whether or not the corporation had any beneficial interest in it? If "Yes," the corporation may have to file Forms 3520, 3520-A, or 926 | X | |
| 7 Check this box if the corporation has filed or is required to file Form 8264. Application for Registration of a Tax Shelter | | |
| 8 Check this box if the corporation issued publicly offered debt instruments with original issue discount If so, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments. | | |
| 9 If the corporation: (a) filed its election to be an S corporation after 1986, (b) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to its basis (or the basis of any other property) in the hands of a C corporation, and (c) has net unrealized built-in gain (defined in section 1374(d)(1)) in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years ► \$ | | |
| 10 Check this box if the corporation had subchapter C earnings and profits at the close of the tax year | | |

Designation of Tax Matters Person

Enter below the shareholder designated as the tax matters person (TMP) for the tax year of this return:

Name of designated TMP ► DAVID ELKIN Identifying number of TMP ► 043-50-6463

Address of designated TMP ► 805 BRYN MAWR AVE
NEWTOWN SQUARE, PA 19073

Schedule K Shareholders' Shares of Income, Credits, Deductions, etc.

| | | (a) Pro rata share items | (b) Total amount |
|--------------------------------------|--------|---|-----------------------|
| Income (Loss) | 1 | 1 Ordinary income (loss) from trade or business activities (page 1, line 21) | 1 -184,088. |
| | 2 | 2 Net income (loss) from rental real estate activities (attach Form 8825) | 2 |
| | 3a | 3a Gross income from other rental activities | 3a |
| | 3b | b Expenses from other rental activities (attach schedule) | 3b |
| | 3c | c Net income (loss) from other rental activities. Subtract line 3b from line 3a | 3c |
| | 4 | 4 Portfolio income (loss): | Statement 5 |
| | 4a | a Interest income | 4a 1,340. |
| | 4b | b Dividend income | 4b |
| | 4c | c Royalty income | 4c |
| | 4d | d Net short-term capital gain (loss) (attach Schedule D (Form 1120S)) | 4d |
| | 4e | e Net long-term capital gain (loss) (attach Schedule D (Form 1120S)) | 4e |
| | 4f | f Other portfolio income (loss) (attach schedule) | 4f |
| | 5 | 5 Net gain (loss) under section 1231 (other than due to casualty or theft) (attach Form 4797) | 5 |
| | 6 | 6 Other income (loss) (attach schedule) | 6 |
| Deductions | 7 | 7 Charitable contributions (attach schedule) | 7 |
| | 8 | 8 Section 179 expense deduction (attach Form 4562) | 8 |
| | 9 | 9 Deductions related to portfolio income (loss) (itemize) | 9 |
| | 10 | 10 Other deductions (attach schedule) | 10 |
| Investment Interest | 11a | 11a Interest expense on investment debts | 11a |
| | 11b(1) | b (1) Investment income included on lines 4a, 4b, 4c, and 4f above | 11b(1) 1,340. |
| | 11b(2) | (2) Investment expenses included on line 9 above | 11b(2) |
| Credits | 12a | 12a Credit for alcohol used as a fuel (attach Form 6478) | 12a |
| | 12b(1) | b Low-income housing credit: | 12b(1) |
| | 12b(2) | (1) From partnerships to which section 42(j)(5) applies for property placed in service before 1990 | 12b(2) |
| | 12b(3) | (2) Other than on line 12b(1) for property placed in service before 1990 | 12b(3) |
| | 12b(4) | (3) From partnerships to which section 42(j)(5) applies for property placed in service after 1989 | 12b(4) |
| | 12c | (4) Other than on line 12b(3) for property placed in service after 1989 | 12c |
| | 12d | c Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468) | 12d |
| | 12e | d Credits (other than credits shown on lines 12b and 12c) related to rental real estate activities (see instructions) | 12e |
| | 13 | e Credits related to other rental activities | 13 |
| Adjustments and Tax Preference Items | 14a | 14a Depreciation adjustment on property placed in service after 1986 | 14a |
| | 14b | b Adjusted gain or loss | 14b |
| | 14c | c Depletion (other than oil and gas) | 14c |
| | 14d(1) | d (1) Gross income from oil, gas, or geothermal properties | 14d(1) |
| | 14d(2) | (2) Deductions allocable to oil, gas, or geothermal properties | 14d(2) |
| | 14e | e Other adjustments and tax preference items (attach schedule) | 14e |
| Foreign Taxes | 15a | 15a Type of income ► | 15a |
| | 15b | b Name of foreign country or U.S. possession ► | 15b |
| | 15c | c Total gross income from sources outside the United States (attach schedule) | 15c |
| | 15d | d Total applicable deductions and losses (attach schedule) | 15d |
| | 15e | e Total foreign taxes (check one): ► <input type="checkbox"/> Paid <input type="checkbox"/> Accrued | 15e |
| | 15f | f Reduction in taxes available for credit (attach schedule) | 15f |
| | 15g | g Other foreign tax information (attach schedule) | 15g |
| Other | 16 | 16 Section 59(e)(2) expenditures: a Type ► | 16a |
| | 16b | b Amount | 16b |
| | 17 | 17 Tax-exempt interest income | 17 |
| | 18 | 18 Other tax-exempt income | 18 |
| | 19 | 19 Nondeductible expenses | Statement 6 19 1,437. |
| | 20 | 20 Total property distributions (including cash) other than dividends reported on line 22 below | 20 |
| | 21 | 21 Other items and amounts required to be reported separately to shareholders (attach schedule) | Statement 7 21 |
| | 22 | 22 Total dividend distributions paid from accumulated earnings and profits | 22 |
| | 23 | 23 Income (loss). (Required only if Schedule M-1 must be completed.). Combine lines 1 through 6 in column (b). From the result, subtract the sum of lines 7 through 11a, 15e, and 16b | -182,748. |

| Schedule L | Balance Sheets | Beginning of tax year | | End of tax year | |
|--|----------------|-----------------------|-----------|-----------------|-----------|
| | | (a) | (b) | (c) | (d) |
| 1 Cash | | | 170,125. | | 8,219. |
| 2 a Trade notes and accounts receivable | | 325. | | | |
| b Less allowance for bad debts | | | 325. | | |
| 3 Inventories | | | | | |
| 4 U.S. Government obligations | | | | | |
| 5 Tax-exempt securities | | | | | |
| 6 Other current assets | | | | | |
| 7 Loans to shareholders | | | | | |
| 8 Mortgage and real estate loans | | | | | |
| 9 Other investments | | | | | |
| 10 a Buildings and other depreciable assets | | | | | |
| b Less accumulated depreciation | | | | | |
| 11 a Depletable assets | | | | | |
| b Less accumulated depletion | | | | | |
| 12 Land (net of any amortization) | | | | | |
| 13 a Intangible assets (amortizable only) | | 10,000. | | 10,000. | |
| b Less accumulated amortization | | 600. | 9,400. | 1,400. | 8,600. |
| 14 Other assets | | | | | |
| 15 Total assets | | | 179,850. | | 16,819. |
| Liabilities and Shareholders' Equity | | | | | |
| 16 Accounts payable | | | | | |
| 17 Mortgages, notes, bonds payable in less than 1 year | | | | | |
| 18 Other current liabilities Stmt 10 | | | 122,745. | | 28,899. |
| 19 Loans from shareholders | | | | | |
| 20 Mortgages, notes, bonds payable in 1 year or more | | | | | |
| 21 Other liabilities | | | | | |
| 22 Capital stock | | | 5. | | 5. |
| 23 Paid-in or capital surplus | | | 190,095. | | 305,095. |
| 24 Retained earnings Stmt 11 | | | -132,995. | | -317,180. |
| 25 Less cost of treasury stock | | | () | | () |
| 26 Total liabilities and shareholders' equity | | | 179,850. | | 16,819. |

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

(You are not required to

complete this schedule if the total assets on line 15, column (d), of Schedule L are less than \$25,000.)

| | | | |
|--|-----------|---|-----------|
| 1 Net income (loss) per books | -184,185. | 5 Income recorded on books this year not included on Schedule K, lines 1 through 6 (itemize): a Tax-exempt interest \$ _____ | |
| 2 Income included on Schedule K, lines 1 through 6, not recorded on books this year (itemize): _____ | | | |
| 3 Expenses recorded on books this year not included on Schedule K, lines 1 through 11a, 15e, and 16b (itemize): a Depreciation \$ _____ b Travel and entertainment \$ 1,437. | 1,437. | 6 Deductions included on Schedule K, lines 1 through 11a, 15e, and 16b, not charged against book income this year (itemize): a Depreciation \$ _____ | |
| 4 Add lines 1 through 3 | -182,748. | 7 Add lines 5 and 6 | |
| | | 8 Income (loss) (Schedule K, line 23). Line 4 less line 7 | -182,748. |

Schedule M-2 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed

| | (a) Accumulated adjustments account | (b) Other adjustments account | (c) Shareholders' undistributed taxable income previously taxed |
|---|-------------------------------------|-------------------------------|---|
| 1 Balance at beginning of tax year | -132,995. | | |
| 2 Ordinary income from page 1, line 21 | | | |
| 3 Other additions Stmt 8 | 1,340. | | |
| 4 Loss from page 1, line 21 | (184,088). | | |
| 5 Other reductions Stmt 9 | (1,437). | () | |
| 6 Combine lines 1 through 5 | -317,180. | | |
| 7 Distributions other than dividend distributions | | | |
| 8 Balance at end of tax year. Subtract line 7 from line 6 | -317,180. | | |

Form 4562

Department of the Treasury
Internal Revenue Service (99)**Depreciation and Amortization**
(Including Information on Listed Property)

OTHER

1995Attachment
Sequence No. 67

Name(s) shown on return

Business or activity to which this form relates

Identifying number

US MOBILCOMM MANAGEMENT CORP

Other Depreciation

23-2767067

Part I Election To Expense Certain Tangible Property (Section 179) (Note: If you have any "Listed Property," complete Part V before you complete Part I.)

| | | |
|---|---|-----------|
| 1 Maximum dollar limitation (If an enterprise zone business, see instructions.) | 1 | 17,500. |
| 2 Total cost of section 179 property placed in service during the tax year | 2 | |
| 3 Threshold cost of section 179 property before reduction in limitation | 3 | \$200,000 |
| 4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0- | 4 | |
| 5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions | 5 | |

| 6 | (a) Description of property | (b) Cost | (c) Elected cost |
|---|-----------------------------|----------|------------------|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

| | | |
|--|----|--|
| 7 Listed property. Enter amount from line 27 | 7 | |
| 8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7 | 8 | |
| 9 Tentative deduction. Enter the smaller of line 5 or line 8 | 9 | |
| 10 Carryover of disallowed deduction from 1994 | 10 | |
| 11 Taxable income limitation. Enter the smaller of taxable income (not less than zero) or line 5 | 11 | |
| 12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11 | 12 | |
| 13 Carryover of disallowed deduction to 1996. Add lines 9 and 10, less line 12 | 13 | |

Note: Do not use Part II or Part III below for listed property (automobiles, certain other vehicles, cellular telephones, certain computers, or property used for entertainment, recreation, or amusement). Instead, use Part V for listed property.

Part II MACRS Depreciation For Assets Placed In Service ONLY During Your 1995 Tax Year (Do Not Include Listed Property)**Section A - General Asset Account Election**

14 If you are making the election under section 168(i)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check this box. See instructions ►

| (a) Classification of property | (b) Month and year placed in service | (c) Basis for depreciation (Business/investment use only) | (d) Recovery period | (e) Convention | (f) Method | (g) Depreciation deduction |
|---|--------------------------------------|---|---------------------|----------------|------------|----------------------------|
| Section B - General Depreciation System (GDS) (See instructions) | | | | | | |

| | | | | | | |
|--------------------------------|---|--|-----------|----|-----|--|
| 15 a 3-year property | | | | | | |
| b 5-year property | | | | | | |
| c 7-year property | | | | | | |
| d 10-year property | | | | | | |
| e 15-year property | | | | | | |
| f 20-year property | | | | | | |
| g Residential rental property | / | | 27.5 yrs. | MM | S/L | |
| | / | | 27.5 yrs. | MM | S/L | |
| h Nonresidential real property | / | | | MM | S/L | |
| | / | | | MM | S/L | |

Section C - Alternative Depreciation System (ADS) (See instructions)

| | | | | | | |
|-----------------|---|--|---------|----|-----|--|
| 16 a Class life | | | | | S/L | |
| b 12-year | | | 12 yrs. | | S/L | |
| c 40-year | / | | 40 yrs. | MM | S/L | |

Part III Other Depreciation (Do Not Include Listed Property)

| | | |
|---|----|--|
| 17 GDS and ADS deductions for assets placed in service in tax years beginning before 1995 | 17 | |
| 18 Property subject to section 168(f)(1) election | 18 | |
| 19 ACRS and other depreciation | 19 | |

Part IV Summary

| | | |
|---|----|--|
| 20 Listed property. Enter amount from line 26 | 20 | |
| 21 Total. Add deductions on line 12, lines 15 and 16 in column (g), and lines 17 through 20. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instructions | 21 | |
| 22 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs | 22 | |

LHA For Paperwork Reduction Act Notice, see page 1 of the separate instructions.

Part V Listed Property - Automobiles, Certain Other Vehicles, Cellular Telephones, Certain Computers, and Property Used for Entertainment, Recreation, or Amusement

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 23a, 23b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See instructions for limitations for automobiles.)

| 23a Do you have evidence to support the business/investment use claimed? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | 23b If "Yes," is the evidence written? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | | | |
|--|------------------------------|--|--|--|-----------------------------|-----------------------|----------------------------|------------------------------|
| (a) Type of property (list vehicles first) | (b) Date placed in service | (c) Business/investment use percentage | (d) Cost or other basis | (e) Basis for depreciation (business/investment use only) | (f) Recovery period | (g) Method/Convention | (h) Depreciation deduction | (i) Elected section 179 cost |

24 Property used more than 50% in a qualified business use:

| | | | | | | | | |
|---|---|---|--|--|--|--|--|--|
| : | : | % | | | | | | |
| : | : | % | | | | | | |
| : | : | % | | | | | | |
| : | : | % | | | | | | |

25 Property used 50% or less in a qualified business use:

| | | | | | | | | |
|---|---|---|--|--|-------|--|--|--|
| : | : | % | | | S/L - | | | |
| : | : | % | | | S/L - | | | |
| : | : | % | | | S/L - | | | |
| : | : | % | | | S/L - | | | |

26 Add amounts in column (h). Enter the total here and on line 20, page 1

26

27 Add amounts in column (i). Enter the total here and on line 7, page 1

27

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person.

If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

| 28 Total business/investment miles driven during the year (DO NOT include commuting miles) | (a) Vehicle | (b) Vehicle | (c) Vehicle | (d) Vehicle | (e) Vehicle | (f) Vehicle | | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-----|----|-----|----|-----|----|
| | Yes | No | Yes | No | Yes | No | Yes | No | Yes | No | Yes | No |
| 29 Total commuting miles driven during the year | | | | | | | | | | | | |
| 30 Total other personal (noncommuting) miles driven | | | | | | | | | | | | |
| 31 Total miles driven during the year. Add lines 28 through 30 | | | | | | | | | | | | |
| 32 Was the vehicle available for personal use during off-duty hours? | | | | | | | | | | | | |
| 33 Was the vehicle used primarily by a more than 5% owner or related person? | | | | | | | | | | | | |
| 34 Is another vehicle available for personal use? | | | | | | | | | | | | |

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

| 35 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? | Yes | No |
|--|-----|----|
| 36 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? (See instructions for vehicles used by corporate officers, directors, or 1% or more owners.) | | |
| 37 Do you treat all use of vehicles by employees as personal use? | | |
| 38 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? | | |
| 39 Do you meet the requirements concerning qualified automobile demonstration use? | | |

Note: If your answer to 35, 36, 37, 38, or 39 is "Yes," you need not complete Section B for the covered vehicles.

| (a) Description of costs | (b) Date amortization begins | (c) Amortizable amount | (d) Code section | (e) Amortization period or percentage | (f) Amortization for this year |
|--|---------------------------------|---------------------------|---------------------|--|-----------------------------------|
| 40 Amortization of costs that begins during your 1995 tax year: | | | | | |
| | : | | | | |
| | : | | | | |
| 41 Amortization of costs that began before 1995 | | | | 41 | 800. |
| 42 Total. Enter here and on "Other Deductions" or "Other Expenses" line of your return | | | | 42 | 800. |

| Form 1120S | Compensation of Officers | | | Statement 1 |
|--------------------------------------|----------------------------|------------------------------|------------|----------------------------|
| (a) Name of officer | (b) Social security number | (c) Time devoted to business | Pct of stk | (f) Amount of compensation |
| DAVID ELKIN | 043-50-6463 | FULL | 75.00% | 0. |
| Total Compensation of Officers | | | | 0. |
| Less: Compensation Claimed Elsewhere | | | | |
| Total to Form 1120S, Page 1, Line 7 | | | | |
| | | | | |
| Form 1120S | Taxes and Licenses | | | Statement 2 |
| Description | | | | Amount |
| DELAWARE FRANCHISE TAX | | | | 52. |
| PENNSYLVANIA CAPITAL STOCK TAX | | | | 300. |
| Total to Form 1120S, Page 1, Line 12 | | | | 352. |
| | | | | |
| Form 1120S | Other Deductions | | | Statement 3 |
| Description | | | | Amount |
| DUES AND SEMINARS | | | | 2,207. |
| INSURANCE | | | | 1,511. |
| MARKETING | | | | 30,301. |
| OFFICE SUPPLIES | | | | 2,248. |
| CORP HQ OPERATING EXPENSES | | | | 1,037. |
| POSTAGE & FEDERAL EXPRESS | | | | 2,448. |
| TELEPHONE - CORP HQ | | | | 9,071. |
| TELEPHONE - ENGINEERING OFFICE | | | | 942. |
| TRAVEL | | | | 12,988. |
| BANK CHARGES | | | | 26. |
| PROFESSIONAL FEES - ACCOUNTING | | | | 47,121. |
| PROFESSIONAL FEES - LEGAL | | | | 44,338. |
| PROFESSIONAL FEES - ENGINEERING | | | | 37,750. |
| PROFESSIONAL FEES - MARKETING | | | | 18,000. |
| PROFESSIONAL FEES - OTHER | | | | 14,500. |
| Meals and Entertainment | | | | 1,437. |
| Amortization Expense | | | | 800. |
| Total to Form 1120S, Page 1, Line 19 | | | | 226,725. |

| Form 1120S | Cost Of Goods Sold - Other Costs | Statement | 4 |
|---|---|-----------|---|
| Description | | Amount | |
| SERVICE OPERATING COSTS | | 54,806. | |
| Total to Form 1120S, Page 2, Line 5 | | 54,806. | |
| <hr/> | | | |
| Schedule K | Interest Income | Statement | 5 |
| Description | US | Other | |
| CORESTATES BANK | 0. | 1,340. | |
| Total to Schedule K, Line 4a | 0. | 1,340. | |
| <hr/> | | | |
| Schedule K | Nondeductible Expenses | Statement | 6 |
| Description | Amount | | |
| Excluded Meals and Entertainment Expenses | | 1,437. | |
| Total to Form 1120S, Line 19 | | 1,437. | |
| <hr/> | | | |
| Schedule K | Other Items, Line 21 | Statement | 7 |
| Description | Amount | | |
| YOUR DEDUCTION OF LOSSES ARE LIMITED TO YOUR BASIS CONSULT YOUR TAX ADVISOR. | | | |
| <hr/> | | | |
| Schedule M-2 | Accumulated Adjustments Account - Other Additions | Statement | 8 |
| Description | Amount | | |
| Interest Income | | 1,340. | |
| Total to Schedule M-2, Line 3 - Column (a) | | 1,340. | |
| <hr/> | | | |

Schedule M-2 Accumulated Adjustments Account - Other Reductions Statement 9

| Description | Amount |
|--|--------|
| Excluded Meals and Entertainment Expenses | 1,437. |
| Total to Schedule M-2, Line 5 - Column (a) | 1,437. |
| | <hr/> |

Schedule L Other Current Liabilities Statement 10

| Description | Beginning of Tax Year | End of Tax Year |
|-----------------------------------|-----------------------|-----------------|
| DU TO AFFILIATE SALES TAX PAYABLE | 122,720. | 28,899. |
| | 25. | 0. |
| Total to Schedule L, Line 18 | 122,745. | 28,899. |
| | <hr/> | <hr/> |

Schedule L Analysis of Total Retained Earnings per Books Statement 11

| Description | Amount |
|--|-----------|
| Balance at beginning of year - Schedule L, line 24, column (b) | -132,995. |
| Net income per books - Schedule M-1, line 1 | -184,185. |
| Distributions | 0. |
| Other increases (decreases) | |
| Balance at end of year - Schedule L, line 24, column (d) | -317,180. |
| | <hr/> |

SCHEDULE K-1

(Form 1120S)

Department of the Treasury
Internal Revenue Service

beginning

► See separate instructions.

For calendar year 1995 or tax year

and ending

1995

| Shareholder's identifying number ► 043-50-6463 | | Corporation's identifying number ► 23-2767067 | | |
|---|--|---|--|-------------------------|
| Shareholder's name, address, and ZIP code | | Corporation's name, address, and ZIP code | | |
| DAVID ELKIN 805 BRYN MAWR AVE NEWTOWN SQUARE PA 19073 | | US MOBILCOMM MANAGEMENT CORP 805 BRYN MAWR AVE NEWTOWN SQUARE, PA 19073 | | |
| A Shareholder's percentage of stock ownership for tax year (see Instructions for Schedule K-1) | | ► 75.000000% | | |
| B Internal Revenue Service Center where corporation filed its return ► Philadelphia, PA | | | | |
| C Tax shelter registration number (see Instructions for Schedule K-1) | | ► | | |
| D Check applicable boxes: (1) <input type="checkbox"/> Final K-1 (2) <input type="checkbox"/> Amended K-1 | | | | |
| | (a) Pro rata share items | (b) Amount | (c) Form 1040 filers enter the amount in column (b) on: | |
| Income (Loss) | 1 Ordinary income (loss) from trade or business activities | 1 -138,066. | See pages 4 and 5 of the Shareholder's Instructions for Schedule K-1 (Form 1120S). | |
| | 2 Net income (loss) from rental real estate activities | 2 | | |
| | 3 Net income (loss) from other rental activities | 3 | | |
| | 4 Portfolio income (loss): | 4 | | |
| | a Interest | 4a 1,005. | | Sch. B, Part I, line 1 |
| | b Dividends | 4b | | Sch. B, Part II, line 5 |
| c Royalties | 4c | Sch. E, Part I, line 4 | | |
| d Net short-term capital gain (loss) | 4d | Sch. D, line 5, col. (f) or (g) | | |
| e Net long-term capital gain (loss) | 4e | Sch. D, line 13, col. (f) or (g) | | |
| f Other portfolio income (loss) (attach schedule) | 4f | (Enter on applicable line of your return.) | | |
| 5 Net gain (loss) under section 1231 (other than due to casualty or theft) | 5 | See Shareholder's Instructions for Schedule K-1 (Form 1120S). | | |
| 6 Other income (loss) (attach schedule) | 6 | (Enter on applicable line of your return.) | | |
| Investment Deductions | 7 Charitable contributions (attach schedule) | 7 | Sch. A, line 15 or 16 | |
| | 8 Section 179 expense deduction | 8 | See page 6 of the Shareholder's Instructions for Schedule K-1 (Form 1120S). | |
| | 9 Deductions related to portfolio income (loss) (attach schedule) | 9 | | |
| | 10 Other deductions (attach schedule) | 10 | | |
| Interest | 11 a Interest expense on investment debts | 11a | | Form 4952, line 1 |
| | b (1) Investment income included on lines 4a, 4b, 4c, and 4f above | b(1) 1,005. | See Shareholder's Instructions for Schedule K-1 (Form 1120S). | |
| | (2) Investment expenses included on line 9 above | b(2) | | |
| Credits | 12 a Credit for alcohol used as fuel | 12a | | Form 6478, line 10 |
| | b Low-income housing credit: | b(1) | Form 8586, line 5 | |
| | (1) From section 42(j)(5) partnerships for property placed in service before 1990 | b(2) | | |
| | (2) Other than on line 12b(1) for property placed in service before 1990 | b(3) | | |
| | (3) From section 42(j)(5) partnerships for property placed in service after 1989 | b(4) | | |
| | (4) Other than on line 12b(3) for property placed in service after 1989 | 12c | | |
| | c Qualified rehabilitation expenditures related to rental real estate activities | 12d | | |
| | d Credits (other than credits shown on lines 12b and 12c) related to rental real estate activities | 12e | | |
| | e Credits related to other rental activities (see instructions) | 13 | | |
| | Adjustments and Tax Preference Items | 14 a Depreciation adjustment on property placed in service after 1986 | | 14a |
| b Adjusted gain or loss | | 14b | | |
| c Depletion (other than oil and gas) | | 14c | | |
| d (1) Gross income from oil, gas, or geothermal properties | | d(1) | | |
| (2) Deductions allocable to oil, gas, or geothermal properties | | d(2) | | |
| e Other adjustments and tax preference items (attach schedule) | 14e | | | |

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Schedule K-1 (Form 1120S) 1995

Schedule K-1 (Form 1120S) (1995)

| | (a) Pro rata share items | (b) Amount | (c) Form 1040 filers enter the amount in column (b) on: |
|---|--|---------------------------------|--|
| Foreign Taxes | 15 a Type of income ► b Name of foreign country or U.S. possession ► c Total gross income from sources outside the United States (attach schedule) ... d Total applicable deductions and losses (attach schedule) | 15c 15d 15e 15f 15g | Form 1116, Check boxes Form 1116, Part I Form 1116, Part II Form 1116, Part III See Instructions for Form 1116 |
| | 16 Section 59(e)(2) expenditures: a Type ► b Amount | 16b | See Shareholder's Instructions for Schedule K-1 (Form 1120S). Form 1040, line 8b See page 7 of the Shareholder's Instructions for Schedule K-1 (Form 1120S). |
| | 17 Tax-exempt interest income | 17 | |
| | 18 Other tax-exempt income | 18 | |
| | 19 Nondeductible expenses See Statement | 19 1,078. | |
| | 20 Property distributions (including cash) other than dividend distributions reported to you on Form 1099-DIV | 20 | |
| | 21 Amount of loan repayments for "Loans From Shareholders" | 21 | |
| 22 Recapture of low-income housing credit: a From section 42(j)(5) partnerships | 22a | Form 8611, line 8 | |
| b Other than on line 22a | 22b | | |
| 23 Supplemental information required to be reported separately to each shareholder (attach additional schedules if more space is needed): | | | |
| Supplemental Information | | | |
| 11742 1-15-95 | | | |

Shareholder Number 1

Schedule K-1

Nondeductible Expenses

| Description | Amount | Shareholder Filing Instructions |
|---|--------|---------------------------------|
| Excluded Meals and Entertainment Expenses | 1,078. | See Form 1040 Instructions |
| Total to Schedule K-1, line 19 | 1,078. | |

SCHEDULE K-1**(Form 1120S)**Department of the Treasury
Internal Revenue Service**Shareholder's Share of Income, Credits, Deductions, etc.**

► See separate instructions.

For calendar year 1995 or tax year

OMB No. 1545-0130

1995

beginning

and ending

Shareholder's identifying number ► 042-54-2612

Corporation's identifying number ► 23-2767067

Shareholder's name, address, and ZIP code

Corporation's name, address, and ZIP code

JEFFREY NORMAN
1824 STORRS ROAD
STORRS CT 06268

US MOBILCOMM MANAGEMENT CORP
805 BRYN MAWR AVE
NEWTOWN SQUARE, PA 19073

A Shareholder's percentage of stock ownership for tax year (see Instructions for Schedule K-1) ► **25.000000%**B Internal Revenue Service Center where corporation filed its return ► **Philadelphia, PA**

C Tax shelter registration number (see Instructions for Schedule K-1) ► _____

D Check applicable boxes: (1) Final K-1 (2) Amended K-1

| | (a) Pro rata share items | (b) Amount | (c) Form 1040 filers enter the amount in column (b) on: |
|--------------------------------------|--|------------|--|
| Income (Loss) | 1 Ordinary income (loss) from trade or business activities | 1 -46,022. | See pages 4 and 5 of the Shareholder's Instructions for Schedule K-1 (Form 1120S). |
| | 2 Net income (loss) from rental real estate activities | 2 | |
| | 3 Net income (loss) from other rental activities | 3 | |
| | 4 Portfolio income (loss): | 4 | |
| | a Interest | 4a 335. | |
| | b Dividends | 4b | |
| | c Royalties | 4c | |
| | d Net short-term capital gain (loss) | 4d | |
| | e Net long-term capital gain (loss) | 4e | |
| | f Other portfolio income (loss) (attach schedule) | 4f | |
| Investment Deductions | 5 Net gain (loss) under section 1231 (other than due to casualty or theft) | 5 | (Enter on applicable line of your return.) See Shareholder's Instructions for Schedule K-1 (Form 1120S). |
| | 6 Other income (loss) (attach schedule) | 6 | |
| | 7 Charitable contributions (attach schedule) | 7 | |
| | 8 Section 179 expense deduction | 8 | |
| Interest | 9 Deductions related to portfolio income (loss) (attach schedule) | 9 | See page 6 of the Shareholder's Instructions for Schedule K-1 (Form 1120S). |
| | 10 Other deductions (attach schedule) | 10 | |
| | 11 a Interest expense on investment debts | 11a | |
| Credits | b (1) Investment income included on lines 4a, 4b, 4c, and 4f above | b(1) 335. | Form 4952, line 1 See Shareholder's Instructions for Schedule K-1 (Form 1120S). |
| | (2) Investment expenses included on line 9 above | b(2) | |
| | 12 a Credit for alcohol used as fuel | 12a | |
| | b Low-income housing credit: | | |
| | (1) From section 42(j)(5) partnerships for property placed in service before 1990 | b(1) | |
| | (2) Other than on line 12b(1) for property placed in service before 1990 | b(2) | |
| | (3) From section 42(j)(5) partnerships for property placed in service after 1989 | b(3) | |
| | (4) Other than on line 12b(3) for property placed in service after 1989 | b(4) | |
| | c Qualified rehabilitation expenditures related to rental real estate activities | 12c | |
| | d Credits (other than credits shown on lines 12b and 12c) related to rental real estate activities | 12d | |
| Adjustments and Tax Preference Items | e Credits related to other rental activities (see instructions) | 12e | Form 8586, line 5 See page 7 of the Shareholder's Instructions for Schedule K-1 (Form 1120S). |
| | 13 Other credits | 13 | |
| | 14 a Depreciation adjustment on property placed in service after 1986 | 14a | |
| | b Adjusted gain or loss | 14b | |
| | c Depletion (other than oil and gas) | 14c | |
| | d (1) Gross income from oil, gas, or geothermal properties | d(1) | See page 7 of the Shareholder's Instructions for Schedule K-1 (Form 1120S) and Instructions for Form 6251. |
| | (2) Deductions allocable to oil, gas, or geothermal properties | d(2) | |
| | e Other adjustments and tax preference items (attach schedule) | 14e | |

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Schedule K-1 (Form 1120S) 1995

Schedule K-1 (Form 1120S) (1995)

Page 2

Schedule K-1

Nondeductible Expenses

| Description | Amount | Shareholder Filing Instructions |
|---|-------------|---------------------------------|
| Excluded Meals and Entertainment Expenses | 359. | See Form 1040 Instructions |
| Total to Schedule K-1, line 19 | <u>359.</u> | |